enable SMEs to raise capital, SEBI has decided to allow one Exchange for the SME Sector initially. Thereafter, depending on the performance of the said Exchange and the growth of the market, it may consider allowing additional Exchange (s).

(c) No, Sir.

(d) Do not arise in view of answer to (c) above.

Steps to promote capital investment in foreign countries

†1519. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has taken various encouraging steps to promote capital investments in foreign countries;

(b) if so, the details of steps taken during the years, 2004-2005, 2005-06 and 2006-07 and the declarations made regarding this matter during the year, 2007-08 upto the month of September, and

(c) the quantum of capital invested in foreign countries during the above period, country-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes, Sirs, As part of ongoing liberalization of the direct investments by residents in Joint Ventures (JV)/Wholly Owned Subsidiary (WOS) abroad, the Government has taken steps to promote capital investments in foreign countries. Reserve Bank of India has effected the liberalization through various A.P. (DIR Series) circulars for promoting Indian investment abroad and to enable Indian companies to reap the benefits of globalization as under:—

2004-2005 (April to March)

Sl. No.	Ap (DIR Series) Circular No.	Date	Liberalisation
1	2	3	4
1.	32	09/02/2005	Acquisition of shares offered under ESOPs by a foreign company which has an indirect holding in an Indian company *i.e.* through a special Purpose Vehcile or a step down subsidiary placed under general permission.
2005-2006 (April to March)			
1.	42	12/05/2005	Ceiling for overseas direct investment by Indian Corporates/ registered partnership firms raised from 100% to 200% of the net worth of the Indian party
2	9	29/08/2005	Overseas direct investment in Bhutan permitted in freely convertible currencies in addition to INR
3.	29	27/03/2006	(i) Scope of guarantees to be issued by an Indian party enhanced subject to certain conditions

†Original notice of the question was received in Hindi

1	2	3	4
			(ii) General permission for disinvestment to certain categories of investors/investments
			(iii) Exporter proprietorship firms fulfilling certain criteria permitted to invest in JV/WOS overseas under Approval Route.
2006-2007 (April to March)			
1.	30	05/04/2007	(i) ESOPs further liberalised and General permission for repurchase by the offering company.
2.	3	26.07.2006	(i) Aggregate ceiling for mutual fund investment overseas enhanced from USD 1 billion to USD 2 billion.
			(ii) Qualified mutual funds permitted to invest in overseas Exchange Traded Funds upto USD 1 billion
			(iii) Condition for 10% reciprocal holding for portfolio investment by mutual fund removed.
3.	11	16.11.2006	Aggregate ceiling for mutual fund investment overseas enhanced from USD 2 billion to USD 3 billion.
2007-2008 (April to March)			
1.	41	20.4.2007	Pledge of shares to overseas lenders placed under general permission subject to certain condition
2.	50	04.05.2007	Venture Capital Funds registeresd with SEBI permitted to invest in equity and equity linked instruments offered by offshore Venture Capital Undertakings with prior approval of SEBI
3.	53	08.05.2007	Aggregate ceiling for mutual fund investment overseas enhanced from USD 3 billion to USD 4 billion.
4.	72	08.06.2007	Universe of the instruments for overseas investments by mutual funds enlarged.
5.	75	14.06.2007	(i) Ceiling for overseas direct investment by Indian corporates raised from 200% to 300% of the net worth of the Indian party for corporates only.
			(ii) Ceiling for portfolio investment by Indian companies raised from 25% of net worth to 35% of the net worth.
6.	76	19.06.2007	Scope for hedging the exchange risk arising out of direct investment enlarged to permit cancellation of forward contracts and permitting rebooking of the 50% of the cancelled contracts.
7.	11	26.09.2007	Ceiling for overseas direct investment by Indian corporates at 300% of net worth and 200% for registered partnership firms raised uniformly to 400% of the net worth of the Indian party:—
			(i) Ceiling for portfolio investment by Indian companies raised from 35% of net worth to 50% of the net worth.

1	2	3	4
			(ii) Condition for 10% reciprocal holding for portfolio investment by listed Indian companies removed.
8.	12	26.09.2007	(i) Aggregate ceiling for mutual fund investment overseas enhanced from USD 4 billion to USD 5 billion.
			(ii) Universe of the instruments for overseas investment by mutual funds enlarged further.

(c) Quantum of capital investment in foreign countries during 2004-05 to 2007-08 (April-September):—

Name of Country		Total Outflows			(US$ million)
		2004-05	2005-06	2006-07	2007-08 (April-September)
1	2	3	4	5	6
1.	Afghanistan	—	0.06	—	1.75
2.	Algeria	0.25	0.29	0.32	—
3.	Australia	53.39	80.68	35.63	—
4.	Austria	0.10	0.09	5.66	—
5.	Azerbaijan	2.05	—	—	—
6.	Bahamas	0.57	—	0.10	—
7.	Bahrain	0.05	0.07	0.68	0.27
8.	Bangladesh	1.85	1.47	1.87	45.67
9.	Bhutan	—	—	1.24	0.66
10.	Belgium	1.20	74.03	127.39	0.20
11.	Bermuda	2.60	—	—	—
12.	Botswana	0.02	0.02	—	0.06
13.	Bolivia	—	—	—	0.13
14.	Brazil	20.08	1.92	31.82	4.70
15.	British Virgin Island	24.97	30.26	49.24	210.80
16.	Bulgaria	—	—	0.50	—
17.	Cambodia	0.02	—	—	—
18.	Canada	1.36	3.17	412.02	5.20
19.	Cayman Island	2.76	5.87	43.20	5.80
20.	Channel Island	38.84	—	6110.51	—
21.	China	16.98	53.65	134.66	12.22
22.	Congo	—	0.22	—	—
23.	Cyprus	1.93	147.47	167.62	184.49
24.	Czech Republic	0.77	—	38.76	7.20
25.	Denmark	7.32	19.34	6.88	0.11
26.	Egypt	0.43	2.00	1.98	4.05
27.	Ethiopia	0.36	3.26	1.13	1.24
28.	Finland	0.01	—	0.02	—
29.	France	7.83	3.16	0.99	7.80
30.	Gabon	—	—	12.60	—
31.	Germany	10.03	49.04	52.72	71.04

1	2	3	4	5	6
32.	Georgia	—	0.23	0.49	0.04
33.	Ghana	0.11	0.65	1.54	2.68
34.	Honduras	—	0.33	—	—
35.	Hongkong	44.06	63.77	71.90	36.61
36.	Hungary	—	—	—	1.51
37.	Indonesia	16.76	3.58	23.24	3.35
38.	Iran	7.79	7.20	39.94	—
39.	Iraq	0.03	—	—	—
40.	Ireland	8.64	3.70	1.60	—
41.	Isle of Man	—	—	63.68	4.53
42.	Israel	0.18	—	—	—
43.	Itlay	7.41	0.22	22.57	13.43
44.	Ivory Coast	11.24	5.44	0.47	0.10
45.	Japan	—	0.76	1.03	39.00
46.	Kazakhistan	5.85	14.00	—	—
47.	Kenya	0.19	0.46	0.20	1.22
48.	Kirghistan	2.75	1.95	—	—
49.	Kuwait	0.71	0.85	—	—
50.	Liberia	—	154.94	0.01	—
51.	Libya	2.37	1.37	3.52	6.72
52.	Luxembourg	—	—	0.01	4.63
53.	Maldova	3.25	1.50	1.25	—
54.	Malaysia	3.79	4.24	43.96	12.90
55.	Maldives	—	0.04	0.10	—
56.	Mali	—	0.05	—	—
57.	Malta	10.04	—	0.58	0.01
58.	Mauritius	165.97	773.62	784.44	217.29
59.	Mexico	0.16	2.00	9.21	3.21
60.	Morocco	—	—	—	0.01
61.	Mozambique	10.07			2.23
62.	Myanmar	7.73	35.01	43.46	9.39
63.	Nepal	3.77	0.57	0.68	0.06
64.	Netherlands	27.03	634.78	402.41	778.20
65.	New Zealand	0.03	0.13	1.82	1.00
66.	Niger	0.01	—	—	—
67.	Nigeria	1.68	6.32	18.84	2.18
68.	Norway	—	—	0.38	—
69.	Oman	5.19	3.04	13.44	3.09
70.	Panama	—	22.53	0.15	18.06
71.	Peru	—	—	0.49	0.24
72.	Philippines	3.89	3.39	1.41	8.16
73.	Poland	0.15	0.33	0.53	4.99
74.	Portugal	—	—	—	0.06
75.	Qatar	—	—	0.84	1.30
76.	Romania	0.89	10.21	0.30	—
77.	Russia	332.96	1086.45	509.46	83.41
78.	Rwanda	—	—	—	17.28

1	2	3	4	5	6
79.	Saudi Arabia	—	—	2.31	0.21
80.	Sierra Leon	—	—	0.01	—
81.	Senegal	—	1.00	—	0.03
82.	Singapore	241.27	408.57	806.83	3833.58
83.	S. Africa	3.45	7.33	27.31	20.47
84.	S. Korea	1.55		0.94	—
85.	Spain	—	5.09	9.63	2.33
86.	Sri Lanka	7.94	6.07	7.40	1.83
87.	St. Vincent	0.05	—	—	—
88.	Sudan	—	131.55	1039.24	9.10
89.	Swaziland	0.96	—	—	—
90.	Sweden	—	4.51	4.37	—
91.	Switzerland	30.56	59.75	168.32	22.10
92.	Syria	0.93	2.40	2.64	1.83
93.	Taiwan	—	0.24	0.23	—
94.	Tajikistan	0.03	—	0.68	—
95.	Tanzania	0.18	—	—	0.70
96.	Thailand	3.63	91.91	10.71	2.77
97.	Ukraine	3.96	0.06	—	—
98.	Tunisia	—	—	5.09	—
99.	Turkey		0 38	0.41	0.10
100.	UAE	80.53	115.78	114.76	56.97
101.	Uganda	—	—	9.71	—
102.	UK	125.13	250.46	364.48	214.75
103.	USA	143.57	438.29	631.59	511.36
104.	Uruguay	2.56	24.24	7.20	93.70
105.	Uzbekistan	0.19	0.02	0.12	0.01
106.	Vantua	2.30	0.18	—	—
107.	Vietnam	0.06	0.37	3.15	2.93
108.	Zimbabwe	—	1.15	—	—
109.	Zambia	0.04	—	—	—

Loans to students for higher and vocational education

†1520. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a scheme was launched by Government during the last year to grant loans to the students for getting higher and vocational education;

(b) the average loan given to the students annually during this scheme in the country;

(c) the rate of interest charged on the loan;

†Original notice of the question was received in Hindi.